

# State Controller

Analyst: Castro

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2005 Total App</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Approp</b>	<b>FY 2007 Request</b>	<b>FY 2007 Gov Rec</b>
<b>BY PROGRAM</b>					
Administration	461,800	443,600	477,800	482,300	473,100
Statewide Accounting	2,681,300	2,462,000	2,677,600	3,458,300	2,680,500
Statewide Payroll	2,050,700	1,879,200	2,096,000	2,932,000	2,095,500
Computer Center	7,931,500	7,005,500	6,580,000	6,259,100	6,217,300
<b>Total:</b>	<b>13,125,300</b>	<b>11,790,300</b>	<b>11,831,400</b>	<b>13,131,700</b>	<b>11,466,400</b>
<b>BY FUND CATEGORY</b>					
General	5,193,800	4,784,800	5,145,600	6,872,600	5,216,500
Dedicated	7,931,500	7,005,500	6,685,800	6,259,100	6,249,900
<b>Total:</b>	<b>13,125,300</b>	<b>11,790,300</b>	<b>11,831,400</b>	<b>13,131,700</b>	<b>11,466,400</b>
Percent Change:		(10.2%)	0.3%	11.0%	(3.1%)
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	7,618,800	6,079,300	6,995,300	0	0
Operating Expenditures	5,464,500	4,915,000	4,667,800	0	0
Capital Outlay	42,000	796,000	168,300	0	0
Lump Sum	0	0	0	13,131,700	11,466,400
<b>Total:</b>	<b>13,125,300</b>	<b>11,790,300</b>	<b>11,831,400</b>	<b>13,131,700</b>	<b>11,466,400</b>
Full-Time Positions (FTP)	101.85	101.85	99.85	99.85	99.85

## Department Description

The State Controller is one of seven statewide elected officials in Idaho. The State Controller's Office is organized into four divisions: (1) Administration; (2) Statewide Accounting; (3) Statewide Payroll; and (4) the Computer Center.

The Division of Administration includes the State Controller and central support employees.

The Division of Statewide Accounting is responsible for maintaining the state's accounting system, referred to as STARS (Statewide Accounting and Reporting System), and preparing statewide and agency-specific financial reports.

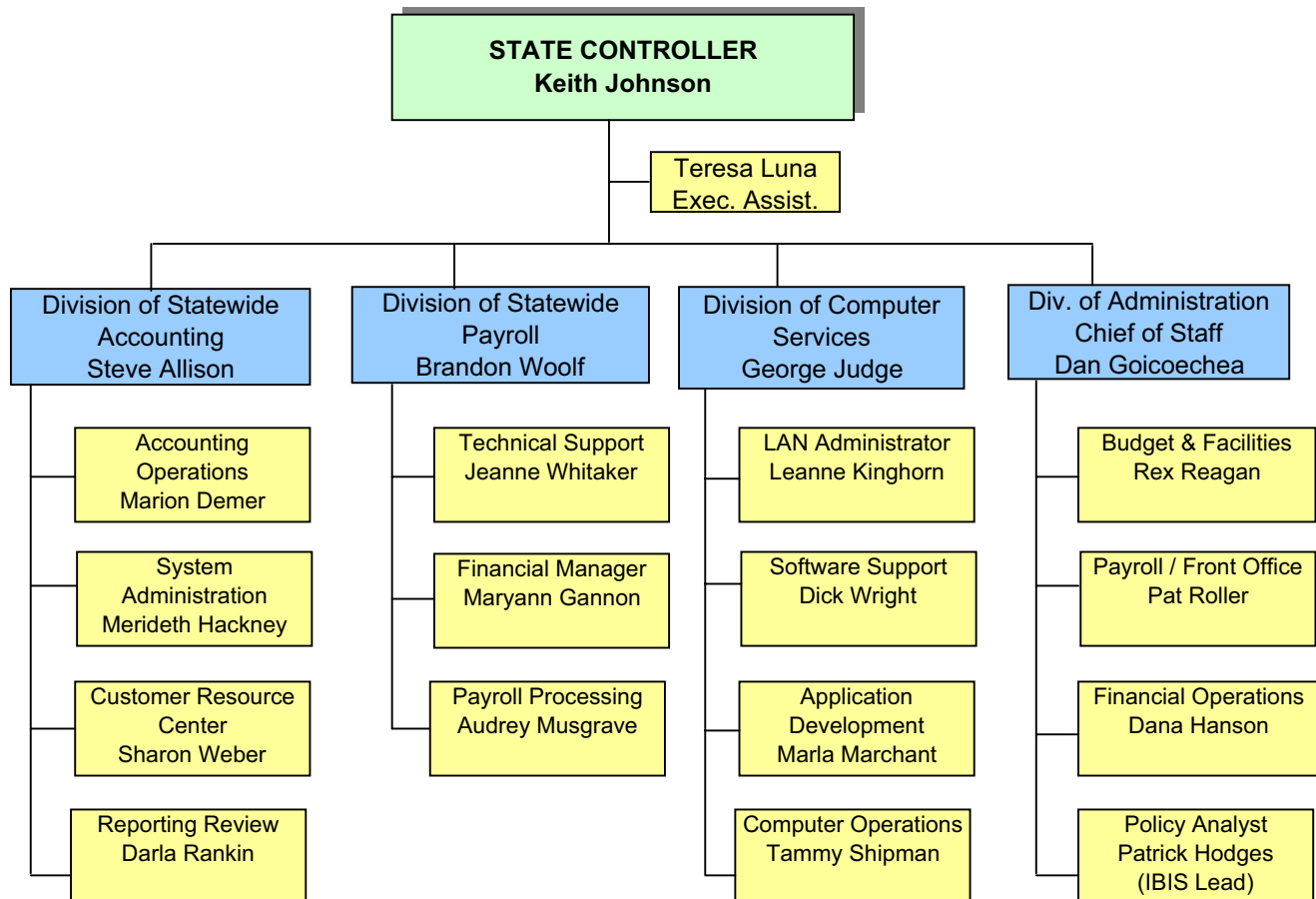
The Division of Statewide Payroll is responsible for paying and keeping personnel and payroll records for over 24,000 state employees on a bi-weekly basis. It accomplishes this through the Employee Information System (EIS), which consists of three major components: 1) Position Control; 2) Personnel; and 3) Payroll. The division is also responsible for all garnishment processing, tax reporting, interfacing with the Division of Statewide Accounting, and electronic fund transfers with major vendors associated with the payroll system.

The Computer Center maintains the state's central computer, and provides information technology services to all user state agencies.

[Statutory Authority: Idaho Code §67-1001 et seq.]

# State Controller Agency Profile

Analyst: Castro



## Sources of Funds

**FY 2006  
Original\***

**General Funds (0001):** individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor surcharge, kilowatt hour tax, mine license tax, Treasurer's interest on investments of certain idle state funds, court fees and fines, insurance premium tax, sale of alcoholic beverage licenses, unclaimed property, articles of incorporation and uniform commercial code filing fees, estate and transfer tax, and other miscellaneous sources from various agency receipts.

The State Controller's General Fund appropriation is billed to state agencies pursuant to the Statewide Cost Allocation Plan (Idaho Code §67-3531). This allows the General Fund to recover a fair portion of the cost of the State Controller's General Fund appropriation from all state agencies, including those that are funded entirely or in part with dedicated and federal funds.

\$5,145,600

**Data Processing Services (0480):** Fees collected from state agencies that use the Computer Center's mainframe or programming services.

\$6,685,800  
\$11,831,400

\*\$105,800 is included in General Funds for 27th payroll; however, the Controller's 27th payroll was actually appropriated one-time from Economic Recovery Reserve Fund. \$128,300 in dedicated funds is included for 27th payroll.

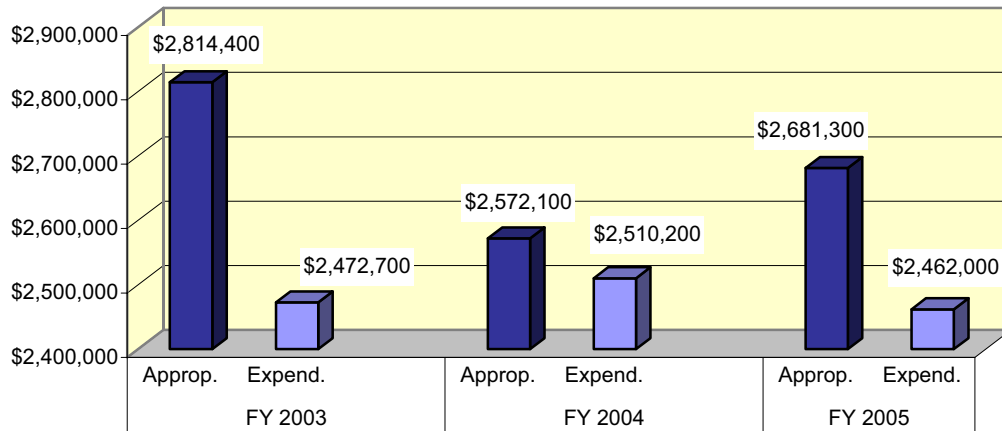
# State Controller

## Agency Profile

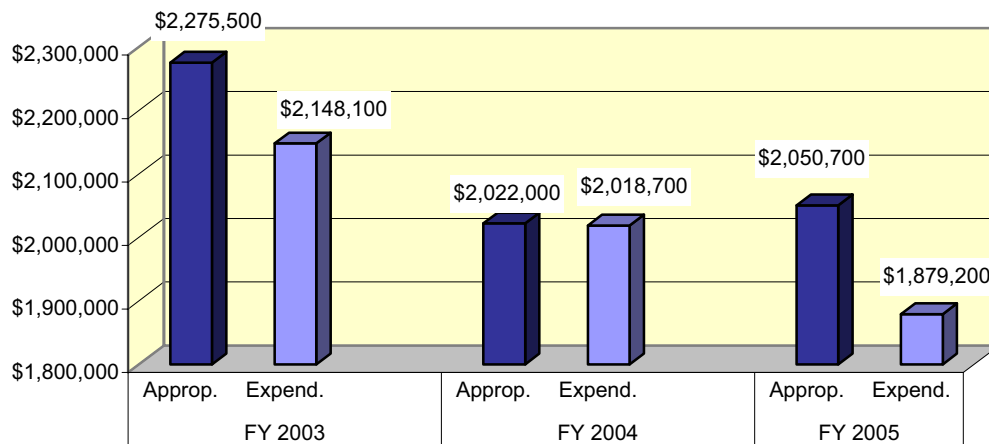
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### Total Appropriations & Actual Expenditures for FY 2003 - 2005

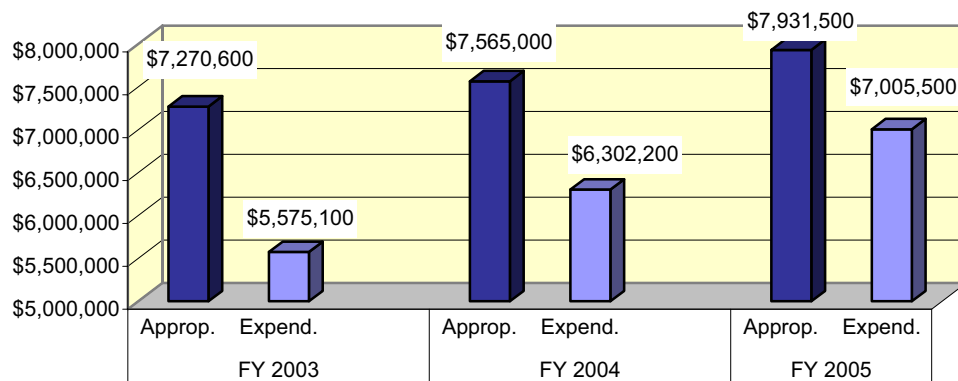
#### Statewide Accounting - General Funds



#### Statewide Payroll - General Funds



#### Computer Center - Dedicated Funds



# State Controller

Analyst: Castro

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2006 Original Appropriation</b>	<b>99.85</b>	<b>5,145,600</b>	<b>11,831,400</b>	<b>99.85</b>	<b>5,145,600</b>	<b>11,831,400</b>
Reappropriations	0.00	409,000	1,366,000	0.00	409,000	1,366,000
HB 395 One-time 1% Salary Increase	0.00	25,300	58,200	0.00	25,300	58,200
1. IBIS Spending Authority	0.00	0	150,000	0.00	0	150,000
2. Energy Assistance	0.00	0	0	0.00	0	325,000
Omnibus CEC Supplemental	0.00	0	0	0.00	28,900	67,200
<b>FY 2006 Total Appropriation</b>	<b>99.85</b>	<b>5,579,900</b>	<b>13,405,600</b>	<b>99.85</b>	<b>5,608,800</b>	<b>13,797,800</b>
Non-Cognizable Funds and Transfers	0.00	0	0	0.00	0	0
<b>FY 2006 Estimated Expenditures</b>	<b>99.85</b>	<b>5,579,900</b>	<b>13,405,600</b>	<b>99.85</b>	<b>5,608,800</b>	<b>13,797,800</b>
Removal of One-Time Expenditures	0.00	(434,300)	(2,239,200)	0.00	(434,300)	(2,564,200)
<b>FY 2007 Base</b>	<b>99.85</b>	<b>5,145,600</b>	<b>11,166,400</b>	<b>99.85</b>	<b>5,174,500</b>	<b>11,233,600</b>
Benefit Costs	0.00	42,700	91,400	0.00	(49,300)	(105,400)
Inflationary Adjustments	0.00	40,100	88,700	0.00	40,100	88,700
Replacement Items	0.00	38,300	144,100	0.00	0	135,000
Statewide Cost Allocation	0.00	4,800	6,800	0.00	4,800	6,800
Change in Employee Compensation	0.00	25,100	58,300	0.00	46,400	107,700
<b>FY 2007 Program Maintenance</b>	<b>99.85</b>	<b>5,296,600</b>	<b>11,555,700</b>	<b>99.85</b>	<b>5,216,500</b>	<b>11,466,400</b>
1. SWCAP Adj. for Web Based Apps.	0.00	1,276,000	1,276,000	0.00	0	0
2. Accounting System Upgrades	0.00	300,000	300,000	0.00	0	0
Lump Sum or Other Adjustments	0.00	0	0	0.00	0	0
<b>FY 2007 Total</b>	<b>99.85</b>	<b>6,872,600</b>	<b>13,131,700</b>	<b>99.85</b>	<b>5,216,500</b>	<b>11,466,400</b>
Change from Original Appropriation	0.00	1,727,000	1,300,300	0.00	70,900	(365,000)
% Change from Original Appropriation		33.6%	11.0%		1.4%	(3.1%)

# State Controller

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2006 Original Appropriation</b>	99.85	5,145,600	6,685,800	0	11,831,400

## Reappropriations

Carryover spending authority from FY 2005 to FY 2006 authorized by SB 1204 for one-time expenditures.

Agency Request	0.00	409,000	957,000	0	1,366,000
Governor's Recommendation	0.00	409,000	957,000	0	1,366,000

## HB 395 One-time 1% Salary Increase

Reflects a one-time 1% Change in Employee Compensation (CEC) increase.

Agency Request	0.00	25,300	32,900	0	58,200
Governor's Recommendation	0.00	25,300	32,900	0	58,200

### 1. IBIS Spending Authority

### Computer Center

This supplemental would provide additional spending authority for the actual cash contributed to the IBIS data warehouse project by state agencies. \$150,000 is the amount contributed over and above the original estimated amount of \$250,000 appropriated in fiscal year 2006.

Agency Request	0.00	0	150,000	0	150,000
Governor's Recommendation	0.00	0	150,000	0	150,000

### 2. Energy Assistance

### Statewide Accounting

Agency Request	0.00	0	0	0	0
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*The Governor recommends "providing a one-time energy assistance payment of \$50 per person for all eligible Idaho residents in recognition of the increase in costs for gas and home heating. The majority of this assistance money will be distributed based on residency and related 2004 tax information. Costs include processing and mailing of state warrants."*

*The Governor recommends using the Economic Recovery Reserve fund for this expense.*

Governor's Recommendation	0.00	0	325,000	0	325,000
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## Omnibus CEC Supplemental

Agency Request	0.00	0	0	0	0
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*The Governor's FY 2007 recommendation is a 3% ongoing increase in employee compensation (CEC), based on merit, to commence in FY 2006 with the January 29 pay period. This will allow agencies to fund employee compensation increases for ten pay periods prior to the end of the current fiscal year. Funding for the remaining 16 pay periods is provided in the FY 2007 CEC.*

Governor's Recommendation	0.00	28,900	38,300	0	67,200
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<b>FY 2006 Total Appropriation</b>					
Agency Request	99.85	5,579,900	7,825,700	0	13,405,600
Governor's Recommendation	99.85	5,608,800	8,189,000	0	13,797,800

## Non-Cognizable Funds and Transfers

Administration: FTP transfer for position 0249 that decreased allocation in administration by 0.15.

Statewide Accounting: Object transfer to fund purchase of replacement printer.

Computer Services Center: Increase in FTP transfer of .15 and object transfer from OE to CO to fund capital outlay purchases.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

# State Controller

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## Budget by Decision Unit

	FTP	General	Dedicated	Federal	Total
<b>FY 2006 Estimated Expenditures</b>					
Agency Request	99.85	5,579,900	7,825,700	0	13,405,600
<i>Governor's Recommendation</i>	99.85	5,608,800	8,189,000	0	13,797,800

### Removal of One-Time Expenditures

Removes \$25,300 in General Funds and \$32,900 in dedicated funds provided for HB395. Removes \$105,800 in general funds and \$128,300 in dedicated funds provided for the 27th pay period. Removes \$409,000 in General Funds and \$957,000 in dedicated funding for reappropriations and removes \$150,000 in supplemental IBIS spending authority.

Agency Request	0.00	(434,300)	(1,804,900)	0	(2,239,200)
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*In addition \$325,000 is removed from one-time expenditures in the Governor's recommendation.*

<i>Governor's Recommendation</i>	0.00	(434,300)	(2,129,900)	0	(2,564,200)
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<b>FY 2007 Base</b>					
Agency Request	99.85	5,145,600	6,020,800	0	11,166,400
<i>Governor's Recommendation</i>	99.85	5,174,500	6,059,100	0	11,233,600

### Benefit Costs

Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 6.1% or \$436 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates.

Agency Request	0.00	42,700	48,700	0	91,400
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*Removes the PERSI rate increase and changes benefit costs to reflect a 3.5% or \$250 per FTP increase in health insurance costs. However, the change in health insurance providers, from Blue Shield to Blue Cross, has created a one-time opportunity to use unexpended reserves from the previous contract. This decision unit provides for a health insurance premium reduction equal to two month's premiums for both the employer and employee. Finally, a life insurance holiday is included equal to seven month's premium for the employer's share only.*

<i>Governor's Recommendation</i>	0.00	(49,300)	(56,100)	0	(105,400)
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### Inflationary Adjustments

Includes a general inflationary increase of 1.9% in operating expenditures.

Agency Request	0.00	40,100	48,600	0	88,700
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<i>Governor's Recommendation</i>	0.00	40,100	48,600	0	88,700
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### Replacement Items

Administration Replacement Items: 4 computer work stations (\$6,800); a color laser printer (\$2,000); and 4 monitors (\$1,200).

Statewide Accounting Replacement Items: 6 computer work stations (\$10,200); a color laser printer (\$2,000); and a high speed B&W laser printer (\$2,000).

Statewide Payroll Replacement Items: 5 computer work stations (\$8,500); a network color copier (\$4,100); and 5 monitors (\$1,500).

Computer Center Replacement Items: 17 computer work stations (\$28,900); a color laser printer (\$2,000); and 7 servers (\$74,900).

Agency Request	0.00	38,300	105,800	0	144,100
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*The Governor recommends using the Economic Recovery Reserve fund for this expense rather than the General Fund. The Governor also recommends \$1,500 replacement cost per desktop computer.*

<i>Governor's Recommendation</i>	0.00	0	135,000	0	135,000
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# State Controller

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## Budget by Decision Unit

	FTP	General	Dedicated	Federal	Total
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### Statewide Cost Allocation

The Statewide Cost Allocation Plan assesses state agencies for their actual use of Attorney General, State Controller and State Treasurer services and includes changes in property and casualty insurance premiums. This decision unit also includes changes in fees charged for legislative audits and changes in the cost of office space leased to state agencies by the Department of Administration.

Agency Request	0.00	4,800	2,000	0	6,800
Governor's Recommendation	0.00	4,800	2,000	0	6,800

### Change in Employee Compensation

Calculated cost of a 1% salary increase for permanent and group positions.

Agency Request	0.00	25,100	33,200	0	58,300
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*Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.*

Governor's Recommendation	0.00	46,400	61,300	0	107,700
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### FY 2007 Program Maintenance

Agency Request	99.85	5,296,600	6,259,100	0	11,555,700
Governor's Recommendation	99.85	5,216,500	6,249,900	0	11,466,400

### 1. SWCAP Adj. for Web Based Apps.

### Statewide Accounting & Statewide Payroll

In the past the cost of web based applications were subsidized by mainframe application billings to the user agencies. Per a DFM recommendation, an outside consultant was hired to review usage and payees. They determined that the web based application costs should be billed out to the accounting and payroll divisions, the owners of the web based applications, and then collected from the agencies through the SWCAP billing process. Statewide Accounting and Statewide Payroll are requesting General Funds to cover the expected web based application costs, then the General Fund will be reimbursed from billings to other agencies.

The cost break down is \$459,100 in operating expense spending authority for Statewide Accounting and \$816,900 for Statewide Payroll.

Agency Request	0.00	1,276,000	0	0	1,276,000
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*The Governor did not choose to make a recommendation on enhancements for this Executive Branch elected official.*

Governor's Recommendation	0.00	0	0	0	0
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### 2. Accounting System Upgrades

### Statewide Accounting

The SCO has been surveying state agencies to determine how they can improve current technology to better meet the needs of agencies. The Statewide Accounting division is requesting an increase to determine the best approach to modernizing the accounting system as well as create applications that ranked the highest among all agency requests. The list of improvements requested include, but are not limited to, a document management system; modernization of the accounts payable interface; fleet management; budget preparation; Purchase Order interface; and a cost accounting interface.

Agency Request	0.00	300,000	0	0	300,000
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*The Governor did not choose to make a recommendation on enhancements for this Executive Branch elected official.*

Governor's Recommendation	0.00	0	0	0	0
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### Lump Sum or Other Adjustments

The State Controller's Office is requesting lump sum spending authority as well as carry-over authority to maximize savings through effectively timing purchases.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

# State Controller

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2007 Total</b>					
Agency Request	99.85	6,872,600	6,259,100	0	13,131,700
<i>Governor's Recommendation</i>	99.85	5,216,500	6,249,900	0	11,466,400
Agency Request					
Change from Original App	0.00	1,727,000	(426,700)	0	1,300,300
% Change from Original App	0.0%	33.6%	(6.4%)		11.0%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	0.00	70,900	(435,900)	0	(365,000)
<i>% Change from Original App</i>	0.0%	1.4%	(6.5%)		(3.1%)